

**CITY COUNCIL MINUTES**

May 26, 2009

**SPECIAL SESSION**

The Special Session of the Auburn City Council was held in the Council Chambers, City Hall, 1225 Lincoln Way, Auburn, California on Tuesday, May 26, 2009 at 6:00 p.m. with Mayor J. M. Holmes presiding and City Clerk Joseph G.R. Labrie recording the minutes.

**CALL TO ORDER****PLEDGE OF ALLEGIANCE****ROLL CALL:**

**Council Members Present:** Keith Nesbitt, Kevin Hanley, Bill Kirby, Bridget Powers, J. M. Holmes

**Council Members Absent:** None

**Staff Members Present:** City Manager Robert Richardson, City Attorney Michael Colantuono, Fire Chief Mark D'Ambrogi, Engineering Division Manager Bernie Schroeder, Administrative Services Director Andy Heath, Police Chief Valerie Harris

**MAYOR'S COMMENDATIONS/PROCLAMATIONS/ACKNOWLEDGEMENTS/ANNOUNCEMENTS**

Mayor Holmes requested that all minutes reflect the time the Council adjourns.

Mayor Holmes said that the weekend bicycle race was a huge success. He said it is his hope that it will continue next year and into future years. He said it was the first time since 1990 that the City had a significant bicycle race in Downtown Auburn.

Mayor Holmes advised that three separate Memorial Day ceremonies were held in Auburn at the New Auburn Cemetery, the Old Auburn Cemetery and the Maidu Cemetery. He said he wanted to acknowledge the people who arranged for those ceremonies because "unfortunately some people lose sight of what Memorial Day is all about."

**AGENDA APPROVAL**

The agenda was approved as presented by consensus of the Council.

**CONSENT CALENDAR**

1. **Minutes**

By **MOTION** approve City Council Minutes of April 27, 2009.

2. **Forklift Purchase – Wastewater Treatment Plant Maintenance Equipment Purchase**

Council Member Nesbitt requested the removal of Item 2 from the Consent Calendar for discussion.

3. **Authorization to Purchase and Install Airport Fueling Station Pump Equipment**

By **RESOLUTION 09-64** authorize the City Manager or his designee to execute a purchase order with MSI Fuel Management, Inc. for installation and replacement of the Auburn Airport fueling station fuel pump card reader in an amount not to exceed \$10,000.00.

4. **Citywide Audit and Financial Statement Preparation – Fiscal Years Ended June 30, 2009 and June 30, 2010**

By **RESOLUTION 09-65** authorize the City Manager or his designee to execute an agreement with Gallina LLP to conduct an audit and prepare financial statements for the City of Auburn as of and for the fiscal years ended June 30, 2009 and June 30, 2010 in an amount not to exceed \$103,680.

5. **City of Auburn Investment Policy Annual Adoption**

City Manager Richardson requested the removal of Item 5 from the Consent Calendar for discussion.

6. **Adoption of “Appropriations Limit” for Fiscal Year 2009-10**

Council Member Kirby requested Item 6 removed from the Consent Calendar for clarification.

\*\*\*\*\* End of Consent Calendar \*\*\*\*\*

By **MOTION** approve Items 1, 3 and 4 of the Consent Calendar.  
**MOTION: Hanley/Nesbitt/Approved 5:0**

2. **Forklift Purchase – Wastewater Treatment Plant Maintenance Equipment Purchase**

Council Member Nesbitt stated that he noted the price for the forklift expired on April 19, 2009. He asked if the price was still in effect. Engineering Division Manager Bernie Schroeder advised that the company confirmed the price for another 30 days.

By **RESOLUTION 09-63** authorize the purchase of a pneumatic tire forklift for the maintenance of equipment and use at the Auburn Wastewater Treatment Facility. **MOTION: Nesbitt/Hanley/Approved 5:0**

5. **City of Auburn Investment Policy Annual Adoption**

City Manager Richardson advised that since both the City Treasurer and the Finance Director were in attendance, it would be beneficial to hear from them, considering the difficult economic times.

Administrative Services/Finance Director Andy Heath explained that Council is being asked for its approval of the City's annual investment policy. He said the revisions that are recommended entail raising the limits that are set for the Federal Deposit Insurance Corporation (FDIC) amounts from \$100,000 to \$250,000 for the City's CD's and negotiable CD's, time deposits. He said another revision is to extend the maximum maturity for corporate or medium term notes from three years to five years. He explained it is consistent with California Government Code and the limits previously allowed in the City's investment policy. He said the list of primary dealers is also updated

Mr. Heath provided Council with an update of the City's investments with local banks. He said a large portion of the City's portfolio is invested locally with Wells Fargo Bank, Umpqua Bank, Bank of America, Community First Bank, Citizens Bank, and the Placer County Investment Pool.

Council questions and comments followed regarding (1) FDIC guarantee amounts after 2013 (2) Community First Bank account and (3) the effect of Proposition 1A on investments.

Council Member Nesbitt recused himself from discussion and the vote because he is a stockholder at Community First Bank.

Council Member Powers stated that she is a stockholder in one of the other banks and asked City Attorney Colantuono for his advice.

City Attorney Colantuono stated that if the Council Member holds more than \$2000, and if the vote is not necessary to establish a quorum, it is simply easier to abstain. He said the question is if the decision will have a material financial effect on the institution. He advised that adopting a policy that is reflective of the Government Code rules would not likely have a material financial effect on the named institutions. He said Council is asked to approve a policy and not investments.

Dan Sokol, 1330 Deerwood Place, Auburn, stated that in the listing there is a percentage limit to be allocated to specific types of investments. He said that in certain cases the value of the portfolio would decrease which could possibly increase the allocated percentage. He asked if the investment that exceeded the percentage would have to be sold.

Mr. Heath advised that each investment is made within the parameters of the policy. He said if there was a flux in the percentage it would be reported to Council as an exception to the policy. He said typically the investment would not be sold to meet a policy objective unless it was extremely significant. He said he did not believe there is any requirement to sell an investment to meet policy objectives when it was purchased within the parameters of the policy.

By **RESOLUTION 09-66** approve and adopt an Investment Policy to organize procedures and processes which enhance opportunities for a prudent and systematic investment effort and formalize investment-related activities on behalf of the City of Auburn. **MOTION: Hanley/Powers/ Approved 4:0 (Abstain; Nesbitt)**

6. **Adoption of "Appropriations Limit" for Fiscal Year 2009-10**

Council Member Kirby noted that the amount reflected on the agenda of \$11,861.72 should be corrected to \$11,861,172.00.

By **RESOLUTION 09-67** adopt the Fiscal Year 2009-10 "Appropriations Limit" for the City of Auburn in the amount of \$11,861,172.00. **MOTION: Kirby/Powers/Approved 5:0**

7. **Public Comment**

Dan Sokol, 1330 Deerwood Place, Auburn, stated that veterans are now permitted to use a hand salute during the Pledge of Allegiance. He said he would like the City of Auburn to encourage the action.

Mr. Sokol said that he felt the parking study has value to it. He said that if the firm provided the information under the scope of work, the study

should be accepted whether or not Council agrees with it. He said the report contained a lot of information, but was poorly written.

Council Member Nesbitt said the sound is inaudible on ACTV's coverage of the City Council meetings.

Telecommunications Chair and ACTV Chair, Glenn Tonkin reported that the quality of the audio is being lost when converting the digital format to tape. He said the problem is currently being considered in the editing phase, however, the transition to tape remains a problem.

## **REPORTS**

### **8. Federal Communications Commission**

Telecommunications Chair Glenn Tonkin introduced Mr. Domkam of the Federal Communications Commission (FCC). Mr. Tonkin said clinics have been held to educate people who do not have some type of a cable TV provider. He said the Commission feels that when the June 12<sup>th</sup> conversation date occurs, the City may receive a lot of telephone calls from the public.

Emmanuel Domkam of the Federal Communications Commission presented "An overview of the Digital Television Transition and the Role of the City in the DTV Transition." He explained the preparation for the transition began in 2003. He said coupons have been available to the public to purchase the converter box for those who keep an analog set. He said coupons will expire July 31, 2009. He said the original deadline for the conversion was extended by Congress and not the FCC.

Mr. Domkam said senior citizens, low-income families, minority population and non-English speakers will especially benefit from FCC assistance. He said local information can be accessed on line by entering the zip code in both Spanish and English. He said there is also a toll free number for assistance (1-888-CALL-FCC).

He said in moving from analog to digital there will be more channels and more programming. He said the sound and picture will be better.

He said the City has assisted in the transition by holding the clinic at City Hall and putting information on its website. He said the City can utilize ACTV to provide conversion information to the public. He said the City can try to reach seniors and the other groups he named previously. He suggested that City website indicate who can be contacted to obtain additional information. The FCC website should be shown as well as a telephone number. He said resources are available to the public via FCC

website or a direct phone call. The FCC staff will personally assist the consumer in his/her home when needed at no charge.

Glenn Tonkin said the Commission would like information provided to City staff so that staff can immediately assist callers.

Council Member Hanley suggested that the Commission provide Radio KAHl with a public service announcement in order to help those who may not have computers. Mayor Holmes also suggested that the information be provided to the local newspapers as well.

Council Member Kirby said that he has the feeling that there will be a lot of 911 calls when the conversion occurs. He said he was concerned with the elderly and "shut-ins." He said he was not certain whether or not the City has the resources to assist all the people who will need help.

Council Member Powers said that Seniors First could assist with providing information to those to whom meals are delivered. She said the organization delivers 250 meals a day to seniors within the City limits. Council Member Holmes said he is making a presentation to AARP on June 4<sup>th</sup> and would hand out brochures at the event.

9. **City Council Committee Reports**

Council Member Nesbitt said that the Youth Advisory Commission presented a water conservation and water efficiency program last week at E. V. Cain and Auburn Elementary schools. He said they are awaiting the results of class participation to save water. He said the winning class will be given a pizza party.

Council Member Nesbitt said that at the next Placer County Transportation Planning Agency meeting the overall work plan and unmet needs will be discussed. He said the work plan has been lessened due to the economy. He said the unmet needs are important to Auburn because certain things that the Agency is trying to institute would involve Auburn paying its fair share. He said he would report to Council next month on the outcome.

Council Member Powers said that the Economic Development Commission will present to the Council on June 8<sup>th</sup> the contract for phase 1 of the Streetscape project. The contractor will start within 30 days after approval of the contract.

Council Member Powers advised that the Arts Commission met with all of the new members present. She said the Commission is anxious to get started with some of the sculpture projects for the Streetscape.

Council Member Kirby said he encountered the Police and Fire Departments on a medical aid issue. He said he wanted to compliment them on an excellent job.

Council Member Kirby said the Council agreed to test shuttle service for the Home Show, Endurance Expo and the Old Town Antique Fair. He said he was disappointed in the number of people who used the service. He said the experiment was not very successful.

## **COUNCIL BUSINESS**

### **10. Fire Department Cost Recovery Program, Motor Vehicle Incidents**

Fire Chief Mark D'Ambrogi introduced the item. He explained that it is an informational item only. He asked that Council provide direction to staff to pursue the program or not.

Chief D'Ambrogi said that the program entails a contractual agreement with a third party vendor. He advised that the vendor would bill insurance companies for an at-fault motor vehicle incident. He said non-residents of the City would be those billed. He said the resources are provided for the residents. He said the question remains whether or not non-residents should have to pay their share for services provided. Chief D'Ambrogi recommended that only non-residents be billed.

Chief D'Ambrogi stated that there are no fees to be paid to the vendor until he collects the payment due. At that time the vendor will hold 20% and the City will receive 80%. He said the fees charged would be those from the current fee structure. He said, although the City already has the ability to charge for incidents, it would take staff four to five hours to go through the court process for restitution. He said many neighboring jurisdictions have implemented the program. He said the intent of the program is not to generate revenue. It is only to recoup actual costs.

Council Members' comments and questions followed regarding (1) data collection to bill the insurance companies (2) the uninsured motorist (3) the determination of residency (4) success in cost recovery (5) mutual aid responses (6) City providing billing (7) fee schedule determination (8) the fund to receive monies collected and (9) insurance policies and premiums.

The consensus of the Council was that Auburn residents should not be charged, but that more information was needed to make a determination as to the value of the service. Mayor Holmes stated that the Council will wait to instruct staff until the bill that is currently in the State Assembly regarding the issue is settled.

11. **Borland Avenue/East Lincoln Way/State Highway 49 Signal Modification Project – Permission to Advertise**

Engineering Division Manager Bernie Schroeder introduced the item. She asked that the Council find the project categorically exempt from the California Environmental Quality Act. She also asked that Council allow staff to advertise the project. She explained that the project intersection has been considered for modification since the early 1990's. She said the State of California has granted some funding to accommodate requirements placed on the project. She said construction should begin in July with completion in the Fall.

Council Members' comments and questions followed regarding (1) funding (2) completion date and (3) paving area.

By **RESOLUTION 09-68** find the Borland Avenue/East Lincoln Way/State Highway 49 Signal Modification Project categorically exempt from the California Environmental Quality Act (CEQA) per Section 15301 (Existing Facilities); Section 15302 (Replacement or Reconstruction); Section 15303 (New Construction); and Section 15304 (Minor Alterations to Land).

**MOTION: Hanley/Kirby/Approved 5:0**

By **MOTION** authorize the Director of Public Works to advertise for the project. **MOTION: Hanley/Kirby/Approved 5:0**

12. **Auburn Airport East Hangar Waterline Extension Project**

Engineering Division Manager Bernie Schroeder introduced the item. She said the construction began in December 2008 and is now complete. She said the waterline will accommodate the hangars currently proposed.

By **RESOLUTION 09-69** move to authorize the Director of Public Works to file the Notice of Completion for the Auburn Airport East Hangar Waterline Extension Project. **MOTION: Nesbitt/Kirby/Approved 5:00**

Mayor Holmes, without objection, adjourned the meeting to a Closed Session at 7:47 p.m.

\*\*\*\*\*

By **MOTION** adjourn to a Closed Session under Government Code Section 54957.6: **MOTION: Nesbitt/Hanley/Approved by Voice**

(1) **CONFERENCE WITH LABOR NEGOTIATORS**

Agency Designated Representatives: Robert Richardson

Employee Group: All Bargaining Units

**REPORT OUT OF CLOSED SESSION**

No reportable action.

**ADJOURNMENT**

Mayor Holmes, without objection, adjourned the meeting at 8:45 p.m.

---

J. M. Holmes, Mayor

---

Joseph G. R. Labrie, City Clerk

